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8 June 1974

MEMORANDUM FOR: James H. Critchfield

NIO/Energy

SUBJECT : DDI Coverage of World Oil Exploration

- 1. This is in response to your memorandum of 9 May 1974, "DIA Interest in Long-Range Implications of World Oil Exploration."
- 2. Appropriate offices of this Directorate follow intelligence concerning the discovery of new oil sources from both the economic and political points of view. Many actual or prospective discoveries of oil fields fall within the boundaries of a single country and so do not have significant potential for international conflict. There are others, frequently in off-shore areas, where a potential for conflict exists. A number have been identified in issues of International Oil Developments. (A short list is attached.)
- 3. The Directorate keeps a watchful eye on these and other potential sources of conflict. Some studies have been done (e.g., The East Asian Continental Shelf: Resources, Claims, and Problems, March 1974; The Senkaku Islands Dispute: Oil Under Troubled Waters?, May 1971; and, Political Implications of the Senkaku Islands Dispute, 19 May 1971). I expect that other studies of this kind will be done as the need arises. At present, we have no plans for general treatment of oil producing areas over which conflict might arise.

EDWARD W. PROCTOR
Deputy Director for Intelligence

Attachment

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